

**MINUTES OF THE QUARTERLY  
CREDIT UNION REVIEW BOARD MEETING  
(REGULAR SESSION)  
October 10, 2016  
10:00 a.m.**

**200 East Grand Avenue, Suite #370  
Des Moines, Iowa**

**I. CALL TO ORDER & ROLL CALL**

Vice Chairperson, Scott Zahnle called the Quarterly Credit Union Review Board meeting to order at 10:03 a.m., Monday, August 8, 2016 on behalf of Chairperson, Becky Zemlicka.

Board members present: Scott Zahnle, Dave Cale, Janet Pepper, Timothy Marcsisak

Attendance via teleconference: Becky Zemlicka, Karyn Finn, Jeffrey Hayes

Division personnel present: JoAnn Johnson, Superintendent, Jan Johnson, Executive Officer, Ann Mulcahy, Supervisory Examiner and Sara Larkin, Recording Secretary.

**II. PRESENTATION OF MEMBERS OF THE PUBLIC IN ATTENDANCE**

Erin O'Hern, Policy Works, attended via telephone

**III. MINUTES OF THE PREVIOUS MEETING**

The Minutes of the August 8, 2016 Review Board meeting were approved by general consent.

**IV. REPORT OF THE SUPERINTENDENT**

Superintendent Johnson reviewed the report with the Review Board regarding Division activities. It was mentioned that the quarter ended with 94 Credit Unions after one completed merger involving Frontier Community Credit Union merged with Peoples Credit Union. The Polk County Schools Employees Credit Union voted to merge with Des Moines Police Officers Credit Union and is pending. The report was approved by general consent.

Supervisory Examiner, Ann Mulcahy reviewed the examination update with the Review Board. The three new examiners have started their training process and it is going well. It was announced that all examiners and staff with NCUA issued computers will now be required to take cyber security training on an annual basis. The Division has received positive feedback from the Credit Unions that were a part of the newly implemented flex program. Four flex exams were piloted in the third quarter and four additional exams will be piloted in the fourth quarter. Most exams are on a 12 month cycle, however with this flex program fully implemented this will allow for most exams to extend to an 18<sup>th</sup> month cycle.

## **V. UNFINISHED BUSINESS**

- Clean-up of Division language was submitted by the deadline of October 3, 2016 regarding the following:
- Administrative actions against a credit union will be made public record after the administrative action is completed and resolved.
- Should the Superintendent find it necessary to call a meeting of the credit union board members not directly related to an examination, the Division's Assistant Attorney General has advised that the Division move this provision from the examination section in statute to a section calling for a meeting of the board.
- The Division has formalized a process of authorizing the delivery of confidential examination reports to an authorized third party. The completion of a confidentiality agreement by all parties is submitted to the Division for approval by the Superintendent. Upon approval of the confidentiality agreement, the requested examination is then sent directly to the third party by the Division to avoid any manipulation of the exam report and to ensure confidential delivery.
- The following language has been submitted for the Superintendent to disapprove a merger for reasons that are not currently stated:
  - Once a majority of members has affirmatively voted to merge and notified the Division, then the merger announcement can become public record.
  - If any documents filed or published with the Division were false or misleading.

## **VI. NEW BUSINESS**

- Executive Officer, Jan Johnson presented a review of the budget through the end of the fiscal year 2016. The Division has been under budget due to the majority of four vacancies. The Division was able to pay the annual NASCUS dues out of the last fiscal year. It is anticipated that the NASCUS dues will increase next fiscal year. After a review of the budget it was discussed that a summary of the budget could be posted to the Division website.
- An increase in the amount of \$75,000 will be requested for the upcoming year and hopeful that the requested figure will be a large enough increase to suffice for the next few years.

## **VII. OPEN DISCUSSION**

- Amanda Swangel presented a tour of the new website.

## **NEXT MEETING DATE**

The next meeting is scheduled for January 9, 2017, 10:00 a.m.

## **VIII. ADJOURNMENT OF OPEN SESSION**

Vice Chairperson, Scott Zahnle adjourned the meeting at 10:56 a.m. by general consent.